

AR13

# **National Nursing Homes Ltd. Annual Report 1971**





**National Nursing  
Homes Ltd.**

### **Officers of the Company**

*President*  
Neil B. Cook

*Exec. Vice President*  
Gordon McKee

*General Manager*  
Donald I. Dewar

*Director of Personnel*  
Marjorie C. Dillingham

*Secretary*  
Nora Agaboh

*Treasurer*  
D. James Dodd

### **Directors**

Neil B. Cook  
*Vancouver*

Neil Colville  
*Vancouver*

Gordon McKee  
*North Vancouver*

Lawrence Hynes  
*Toronto*

William A. Clarke  
*Toronto*

Donald I. Dewar  
*Burnaby*

Marjorie Dillingham  
*Richmond*

### **Auditors**

Thorne, Gunn, Helliwell &  
Christenson

### **Banks**

The Mercantile Bank of Canada  
Bank of Montreal

### **Solicitors**

Freeman, Freeman, Silvers &  
Koffman, *Vancouver*  
Fraser & Beatty, *Toronto*

### **Transfer Agent and Registrar**

Canada Permanent Trust Company,  
*Vancouver, Toronto, Winnipeg,*  
*Calgary, Montreal*

### **Listed**

Vancouver Stock Exchange  
Canadian Stock Exchange

### **Offices of the Company**

2200 Guinness Tower,  
1055 West Hastings Street,  
Vancouver 1, B.C.

AR13

**National Nursing Homes Ltd.  
Consolidated Statement of Source and  
Application of Funds**

For the six months ended

November 30th, 1971

(With comparative figures for 1970)

|                                                                          | <u>1971</u>               | <u>1970</u>                |
|--------------------------------------------------------------------------|---------------------------|----------------------------|
| <b>Source of Funds</b>                                                   |                           |                            |
| Funds from operations                                                    |                           |                            |
| Net income .....                                                         | \$ 328,570                | \$ 295,092                 |
| Items which do not involve<br>current funds                              |                           |                            |
| Add (Deduct)                                                             |                           |                            |
| Depreciation and amortization ....                                       | 328,249                   | 136,872                    |
| Increase in deferred income taxes..                                      | 115,500                   | 74,000                     |
| Gain on redemption of debentures                                         | (47,009)                  | —                          |
| Other items .....                                                        | 502                       | 9,586                      |
|                                                                          | <u>725,812</u>            | <u>515,550</u>             |
| Interim financing — new construction                                     | 942,000                   | —                          |
| Proceeds from mortgage loans .....                                       | 6,904,000                 | 140,000                    |
| Assumption of long-term debt on<br>acquisition of new subsidiaries ..... | 581,121                   | 51,586                     |
| Minority interest in new subsidiary                                      | 55,618                    | —                          |
|                                                                          | <u>9,208,551</u>          | <u>707,136</u>             |
| <b>Application of Funds</b>                                              |                           |                            |
| Purchase of fixed assets .....                                           | 3,090,276                 | 800,603                    |
| Repayment of long-term debt .....                                        | 3,232,698                 | 100,813                    |
| Acquisition cost over (under) book<br>value of new subsidiaries .....    | 301,089                   | (43,320)                   |
| Redemption of Debentures .....                                           | 163,745                   | —                          |
| Financing expense .....                                                  | 268,105                   | —                          |
| Dividends paid .....                                                     | 150,001                   | —                          |
| New mortgages advanced .....                                             | 371,869                   | —                          |
|                                                                          | <u>7,577,783</u>          | <u>858,096</u>             |
| <b>Increase (Decrease) in<br/>Working Capital .....</b>                  | <b><u>\$1,630,768</u></b> | <b><u>\$ (150,960)</u></b> |

The above figures are subject to Audit.

*Cof report*



**National  
Nursing Homes Ltd.**

**Report to  
Shareholders**

**Six Months to  
November 30, 1971**

2200 Guinness Tower  
1055 West Hastings Street  
Vancouver 1, B.C.

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## TO THE SHAREHOLDERS

Vancouver, Canada  
January 31st, 1972

Consolidated revenue for the six months ended November 30, 1971, at \$3,496,231 shows an increase of 18% over the corresponding period of last year. Despite the higher interest expense resulting from the refinancing of some of the mortgages on our nursing homes, income after taxes but before extraordinary items is down only 4% from \$238,561 to \$228,927. Net income for the period of \$328,570 is up 11% over the amount reported for the first half of last year. We have been purchasing our 7% Convertible Debentures at substantial discounts towards future sinking fund requirements.

Approval of our plan for a retirement home on 41st Avenue in Vancouver is now assured, and it is expected that construction will commence in the early summer and the building will be ready for occupancy in the spring of 1973. Construction of Oak Bay Manor in Victoria continues on schedule and it should open in May, 1972. Profits from these two large ventures should materially increase earnings in the 1972-73 fiscal year.

As previously reported, your Company is engaging through subsidiaries in land development, short term mortgage financing and equipment leasing. We have made a strong start in the residential land sub-division area having committed in excess of \$2,000,000 to the acquisition of residential and industrial development land. We expect to sell about 400 sub-division lots in the next 20 months.

Rico Machinery & Leasing Co. Ltd. in which the Company holds 60% of the equity capital is now under our direct management. Rico plans to open a leasing office in Edmonton this year and property for a new head office in Vancouver has been acquired. A new showroom and service department, also in Vancouver, will be opened later this year.

Surplus funds are being invested in short-term first mortgages. These investments have largely offset the increased interest charges referred to above.

The shares of your Company have now been listed on The Toronto Stock Exchange.

*Neil B. Cook*

NEIL B. COOK  
President

## National Nursing Homes Ltd. Consolidated Statement of Income For the six months ended November 30th, 1971 (With comparative figures for 1970)

|                                                                               | 2ND QUARTER |             | SIX MONTHS    |               |
|-------------------------------------------------------------------------------|-------------|-------------|---------------|---------------|
|                                                                               | 1971        | 1970        | 1971          | 1970          |
| Revenue .....                                                                 | \$1,816,198 | \$1,492,234 | \$3,496,231 ✓ | \$2,963,947 ✓ |
| Expenses                                                                      |             |             |               |               |
| Operating expenses .....                                                      | 1,294,881   | 993,464     | 2,404,743     | 1,973,602     |
| Depreciation and amortization .....                                           | 86,176      | 70,896      | 166,929       | 136,872       |
| Interest on long-term debt .....                                              | 266,079     | 172,953     | 464,013       | 348,314       |
|                                                                               | 1,647,136   | 1,237,313   | 3,035,685     | 2,458,788     |
| Income before undernoted items .....                                          | 169,062     | 254,921     | 460,546       | 505,159       |
| Net change in deferred starting up losses on new homes .....                  | —           | 10,063      | —             | 9,586         |
| Income before taxes and extraordinary items .....                             | 169,062     | 244,858     | 460,546       | 495,573       |
| Income taxes — Current .....                                                  | 48,558      | 83,288      | 170,558       | 183,012       |
| — Deferred .....                                                              | 38,461      | 42,000      | 61,061        | 74,000        |
|                                                                               | 87,019      | 125,288     | 231,619       | 257,012       |
| Income before extraordinary items .....                                       | 82,043      | 119,570     | 228,927       | 238,561 ✓     |
| Reduction in income taxes due to the application of prior years' losses ..... | 5,234       | 26,252      | 52,634        | 56,531        |
| Gain on redemption of Debentures .....                                        | 22,026      | —           | 47,009        | —             |
| Net income for the period .....                                               | \$109,303   | \$145,822   | \$328,570     | \$295,092 ✓   |

The above figures are subject to audit.





## National Nursing Homes Ltd.

### To Our Shareholders

Your Company's gross revenue for the year ended May 31, 1971 was \$6,073,556 compared with \$4,824,046 in 1970; an increase of 26%. The average occupancy of all the nursing homes, including the newest additions, was 96%.

The operating income before provision for corporate income tax and the start-up losses on new homes that were deferred last year shows an improvement of 25% over the previous year.

The incidence of income tax this year is considerably increased because the carry forward losses that were formerly available to reduce this tax became substantially lower.

In view of the operating results of the Company, the directors declared an initial dividend of 5c per share to shareholders of record as at July 15, 1971, and it was paid on August 2nd.

Your Company recognizes that medical, scientific and technological advances over the past two decades are accelerating us into a new sociological environment. An inevitable outcome will be explosive development in the construction of health and personal care facilities to meet the demands posed by the expanding population. Allied with the growing number of elderly citizens is the increasing number of people who choose to retire at younger ages to swell the ranks of those seeking retirement accommodation. Foreseeing and analyzing this need for health care and retirement facilities your Company has commenced the construction of a retirement residence which will be the vanguard of this new conception of accommodation and will result in a coast to coast chain of both nursing and retirement home facilities.

With this end in view we completed arrangements, subsequent to the year end, for long term mortgage financing in the amount of over ten million dollars. Immediately upon completion of these arrangements we embarked on the construction of the Oak Bay Manor retirement residence at Oak Bay, British Columbia, only three miles from downtown Victoria.

Our architects have several other major projects on the drawing boards and we expect to start construction before November 1971 of another 200 room retirement home in the Kerrisdale area of Vancouver.

Your directors are confident that the retirement home field will add profit stability and additional growth potential. Complete care facilities in our nursing homes will be available for those of our guests in the retirement homes who may eventually require them.

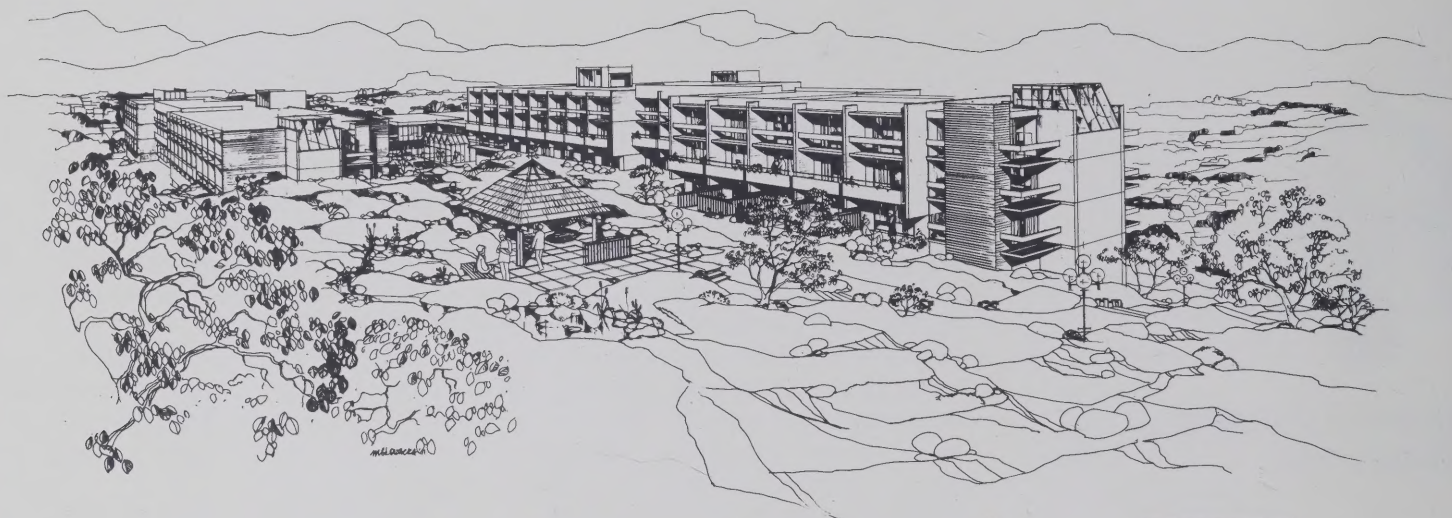
Oak Bay Manor constitutes our entry into the retirement home field. We are confident that the 70's will bring additional opportunities for development.

The Directors wish to acknowledge the fine contribution made by the staff of National Nursing Homes Ltd. and its subsidiaries. The favourable financial results set forth in the report are the end result of the ingenuity and industry of the people who make up National and its subsidiary family of companies.

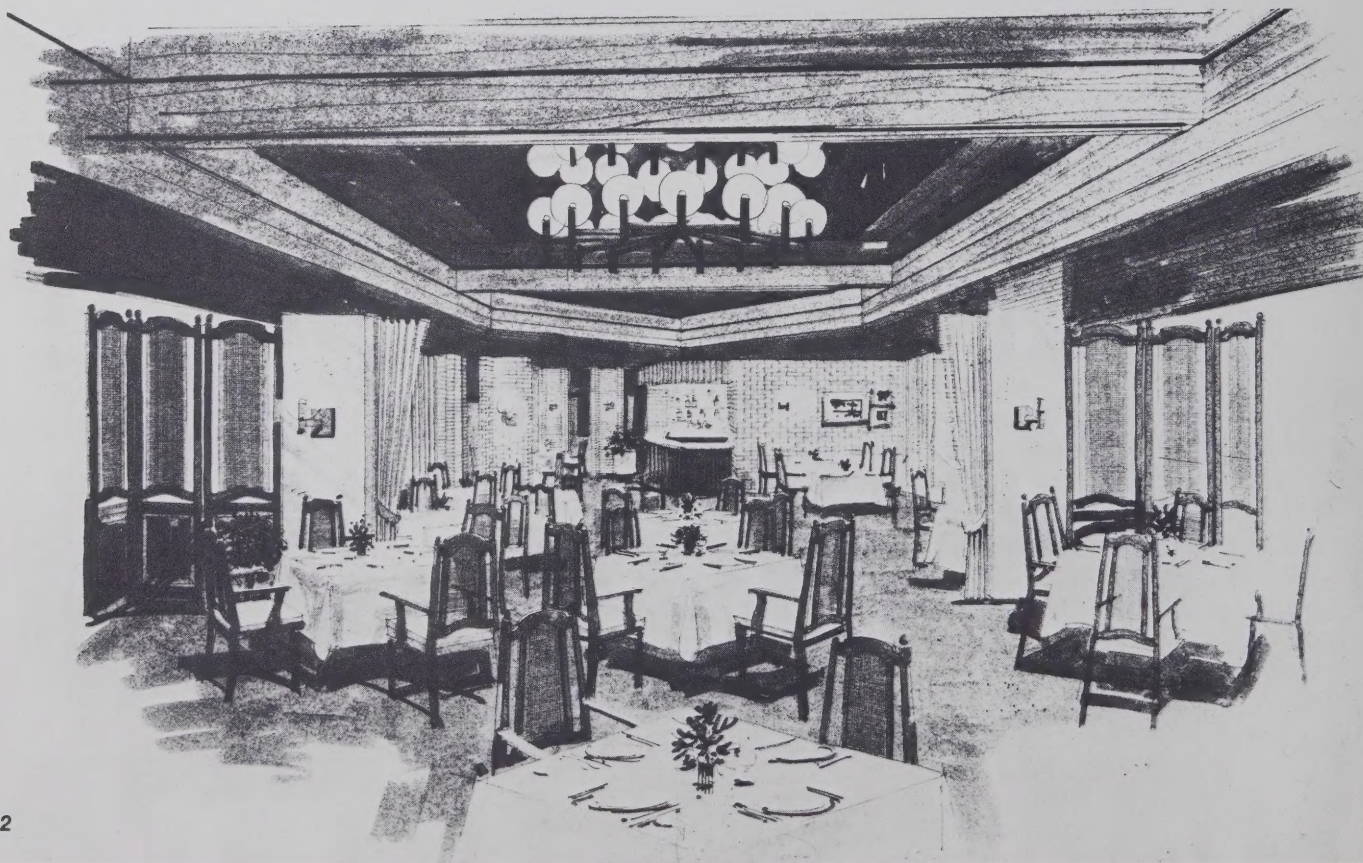
Neil B. Cook, President

September 16th, 1971.





1

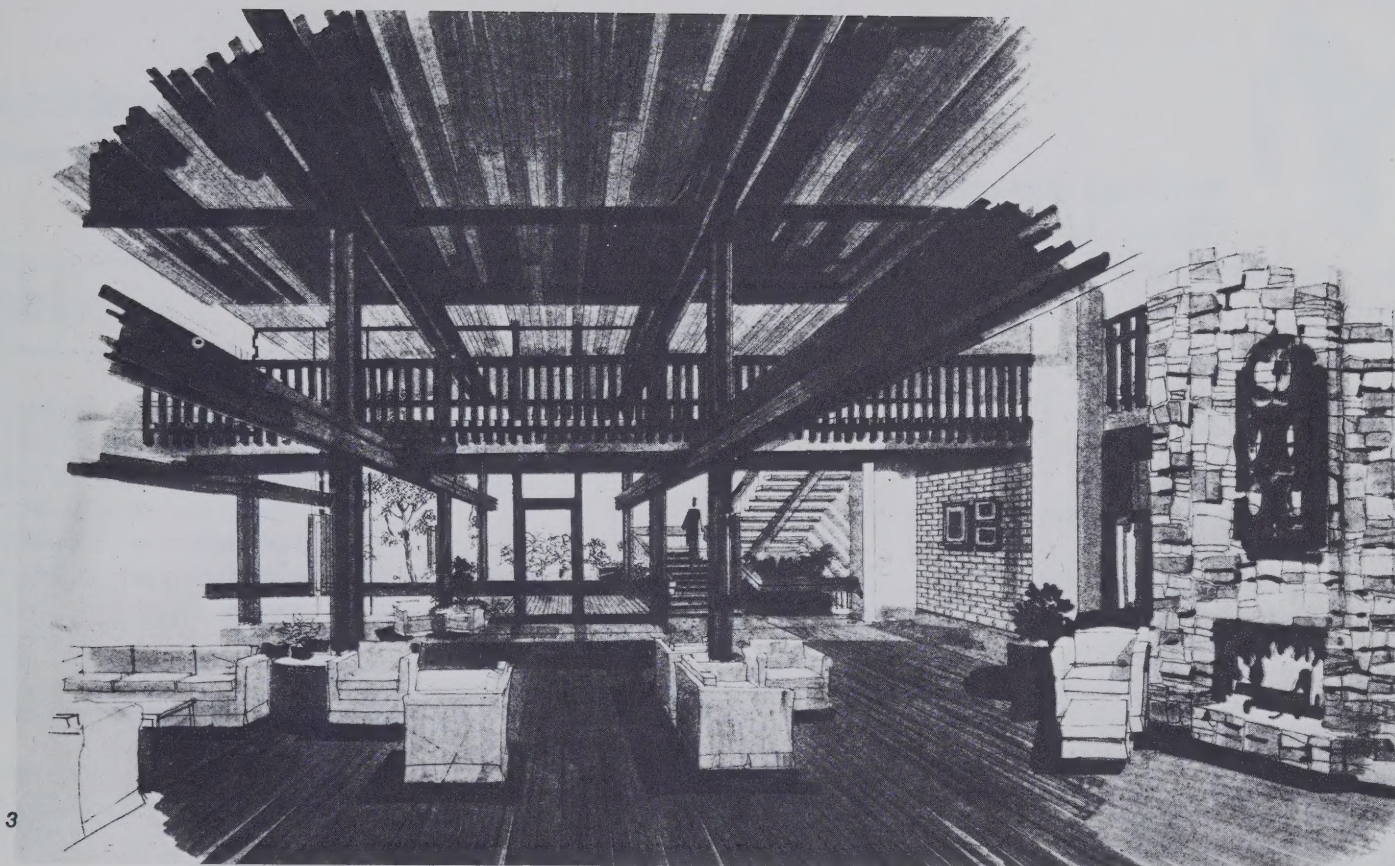


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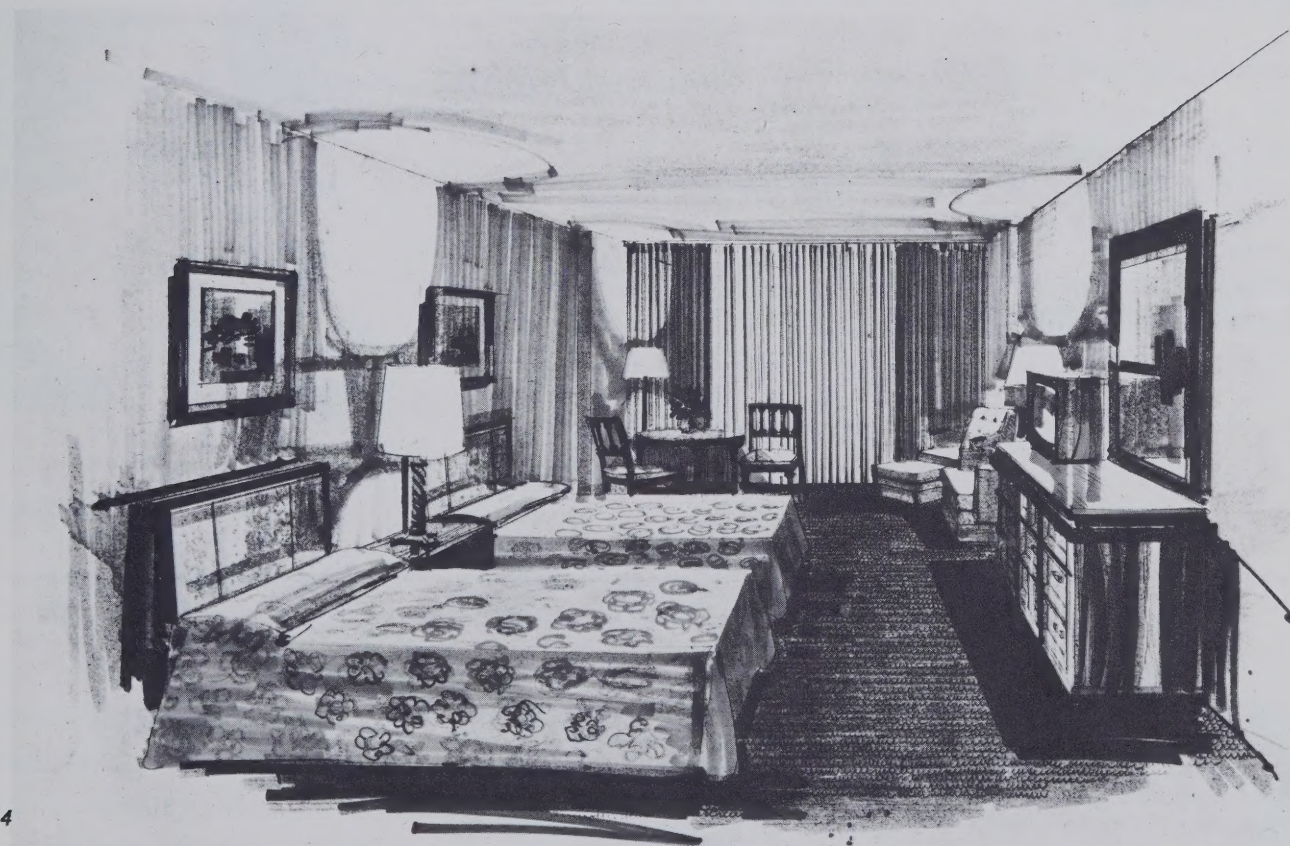
1. Oak Bay Manor, a \$5 million luxury retirement residence, is now under construction in the Victoria suburb of Oak Bay. Situated on four acres of sloping highland, the three-storey residence will contain 200 rooms plus 36 suites with either a sea or mountain view. Oak Bay Manor is scheduled to open in the spring of 1972.

2. Residents of Oak Bay Manor will dine in elegance in the well-appointed dining room. The menu will offer gourmet foods prepared by master chefs.





3



4

3. Main lounge of the Victoria retirement residence will feature a stone fireplace with floor to ceiling windows and panoramic view of Oak Bay. Residents will also enjoy such recreational facilities as all weather swimming pool, sauna, billiard room, library and colour television.

4. Single and double accommodation as well as elegant suites in Oak Bay Manor will be spacious and feature en suite plumbing and quality traditional furnishings.





**National Nursing  
Homes Ltd.**

**Consolidated**

(With comparative)

**Assets**

**1971**

**1970**

**CURRENT ASSETS**

|                                            |                  |                |
|--------------------------------------------|------------------|----------------|
| Cash                                       | \$ 14,645        | \$ 187,671     |
| Bank deposit receipt                       | 84,900           | 100,000        |
| Advances to affiliated companies (note 10) | 432,937          | —              |
| Accounts receivable                        | 370,139          | 282,905        |
| Prepaid expenses and deposits              | 107,899          | 283,623        |
| Patients' funds held in trust              | 75,936           | 54,906         |
|                                            | <u>1,086,456</u> | <u>909,105</u> |

**ADVANCES TO AFFILIATED COMPANIES**

|  |          |               |
|--|----------|---------------|
|  | <u>—</u> | <u>69,619</u> |
|--|----------|---------------|

**FIXED ASSETS, at cost**

|                                        |                   |                   |
|----------------------------------------|-------------------|-------------------|
| Land                                   | 3,362,800         | 1,838,890         |
| Buildings                              | 8,286,023         | 8,271,925         |
| Furniture and equipment                | 1,653,989         | 1,572,133         |
| Construction in progress               | 180,204           | —                 |
|                                        | <u>13,483,016</u> | <u>11,682,948</u> |
| Less accumulated depreciation (note 2) | <u>1,623,025</u>  | <u>1,365,388</u>  |
|                                        | <u>11,859,991</u> | <u>10,317,560</u> |

**OTHER ASSETS AND DEFERRED CHARGES**

|                                                                  |                     |                     |
|------------------------------------------------------------------|---------------------|---------------------|
| Excess of cost over book value at date of acquiring subsidiaries | 1,227,034           | 1,270,354           |
| Discount on debentures, less amortization                        | 45,500              | 49,000              |
| Financing costs                                                  | 42,439              | —                   |
| Deferred income tax charges (note 3)                             | —                   | 90,000              |
| Deferred operating losses on new homes                           | —                   | 43,289              |
|                                                                  | <u>1,314,973</u>    | <u>1,452,643</u>    |
|                                                                  | <u>\$14,261,420</u> | <u>\$12,748,927</u> |

Approved by the Board

Neil B. Cook, Director

Gordon McKee, Director



# Balance Sheet

May 31, 1971

(as at May 31, 1970)

## Liabilities

1971

1970

### CURRENT LIABILITIES

|                                                                          |                  |                |
|--------------------------------------------------------------------------|------------------|----------------|
| Bank loan, secured by accounts receivable                                | \$ 250,000       | —              |
| Accounts payable and accrued liabilities                                 | 565,678          | \$ 450,140     |
| Income taxes payable (note 3)                                            | 221,157          | 4,909          |
| Patients' trust liabilities                                              | 75,936           | 54,906         |
| Principal instalments due within one year on long-term debt (note 4 (d)) | 125,776          | 154,138        |
|                                                                          | <u>1,238,547</u> | <u>664,093</u> |

### DEFERRED INCOME TAXES (note 3)

49,619

—

### LONG-TERM DEBT (note 4)

8,992,872

8,649,442

### SHAREHOLDERS' EQUITY

|                                                      |                  |                  |
|------------------------------------------------------|------------------|------------------|
| Capital Stock (notes 5, 6 and 7)                     |                  |                  |
| Authorized — 6,000,000 Common shares of no par value |                  |                  |
| Issued — 3,000,020 Common shares                     | 2,898,625        | 2,898,625        |
| Contributed Surplus                                  | 47,500           | 47,500           |
| Retained Earnings                                    | 1,034,257        | 489,267          |
|                                                      | <u>3,980,382</u> | <u>3,435,392</u> |

\$14,261,420

\$12,748,927

### COMMITMENT (note 8)

## Auditors Report

To the Shareholders of

National Nursing Homes Ltd.

We have examined the consolidated balance sheet of National Nursing Homes Ltd. and subsidiary companies as at May 31, 1971 and the consolidated statements of income, retained earnings and source and application of

funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these consolidated financial statements present fairly the financial position of the companies as at May 31, 1971 and the results of their operations and the source and applica-

tion of their funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

THORNE, GUNN, HELLIWELL &  
CHRISTENSON  
Chartered Accountants

August 5, 1971





**National Nursing  
Homes Ltd.**

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**Consolidated Statement of  
Source and Application of Funds** year ended May 31, 1971

(With comparative figures for 1970)

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|                                                                                                            | 1971                | 1970              |
|------------------------------------------------------------------------------------------------------------|---------------------|-------------------|
| <b>SOURCE OF FUNDS</b>                                                                                     |                     |                   |
| Operations                                                                                                 |                     |                   |
| Net income for the year                                                                                    | \$ 544,990          | \$ 605,371        |
| Deferred operating losses on new homes                                                                     | 43,289              | (43,289)          |
| Add charges which do not involve current funds                                                             |                     |                   |
| Depreciation                                                                                               | 271,134             | 216,733           |
| Deferred income taxes                                                                                      | 139,619             | 108,163           |
| Amortization of discount on debentures                                                                     | 3,500               | 3,500             |
|                                                                                                            | <u>1,002,532</u>    | <u>890,478</u>    |
| Repayment of advances to shareholders and affiliated companies                                             | 69,619              | 1,946,309         |
| Excess of book value over acquisition cost of new subsidiary                                               | 43,320              | —                 |
| Proceeds from mortgages                                                                                    | 499,086             | 2,246,000         |
| Proceeds from issue of shares and warrants                                                                 | —                   | 2,345,125         |
| Proceeds from issue of debentures                                                                          | —                   | 2,947,500         |
|                                                                                                            | <u>1,614,557</u>    | <u>10,375,412</u> |
| <b>APPLICATION OF FUNDS</b>                                                                                |                     |                   |
| Additions to fixed assets less disposals (including<br>\$35,480 for interest capitalized; 1970 - \$30,404) | 1,813,565           | 2,997,999         |
| Reduction in long-term debts                                                                               | 155,656             | 6,694,084         |
| Repayment of advances from affiliated companies                                                            | —                   | 7,122             |
| Payment of financing costs, less income taxes related thereto                                              | 42,439              | 67,748            |
|                                                                                                            | <u>2,011,660</u>    | <u>9,766,953</u>  |
| <b>WORKING CAPITAL INCREASE (DECREASE)</b>                                                                 | (397,103)           | 608,459           |
| <b>WORKING CAPITAL (DEFICIENCY) at beginning of year</b>                                                   | 245,012             | (363,447)         |
| <b>WORKING CAPITAL (DEFICIENCY) at end of year</b>                                                         | <u>\$ (152,091)</u> | <u>\$ 245,012</u> |

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## Consolidated Statement of Income

year ended May 31, 1971

(With comparative figures for 1970)

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|                                                                                     | 1971              | 1970              |
|-------------------------------------------------------------------------------------|-------------------|-------------------|
| REVENUE                                                                             | \$6,073,556       | \$4,824,046       |
| EXPENSES                                                                            |                   |                   |
| Operating expenses                                                                  | 4,148,427         | 3,243,348         |
| Depreciation                                                                        | 271,134           | 216,733           |
| Interest on long-term debt                                                          | 701,542           | 598,938           |
|                                                                                     | 5,121,103         | 4,059,019         |
| Operating income before undernoted items                                            | 952,453           | 765,027           |
| Start-up losses on new homes deferred (note 1)                                      | (43,289)          | 43,289            |
| <b>Income before taxes on income and extraordinary item</b>                         | <b>909,164</b>    | <b>808,316</b>    |
| TAXES ON INCOME (note 3)                                                            |                   |                   |
| Current                                                                             | 342,558           | 310,159           |
| Deferred                                                                            | 139,619           | 108,163           |
|                                                                                     | 482,177           | 418,322           |
| Income before extraordinary item                                                    | 426,987           | 389,994           |
| EXTRAORDINARY ITEM                                                                  |                   |                   |
| Reduction in income taxes due to the<br>application of prior years' losses (note 3) | 118,003           | 215,377           |
| <b>NET INCOME FOR THE YEAR</b>                                                      | <b>\$ 544,990</b> | <b>\$ 605,371</b> |
| EARNINGS PER SHARE                                                                  |                   |                   |
| Income before extraordinary item                                                    | \$.14             | \$.13             |
| Net income for the year                                                             | \$.18             | \$.21             |

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## Consolidated Statement of Retained Earnings

year ended May 31, 1971

(With comparative figures for 1970)

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|                                                       | 1971               | 1970             |
|-------------------------------------------------------|--------------------|------------------|
| BALANCE AT BEGINNING OF YEAR                          | \$ 489,267         | \$ (31,161)      |
| Net income for the year                               | 544,990            | 605,371          |
| Financing costs, less income taxes<br>related thereto | —                  | (84,943)         |
| <b>BALANCE AT END OF YEAR</b>                         | <b>\$1,034,257</b> | <b>\$489,267</b> |





**National Nursing  
Homes Ltd.**

## Notes to Consol- idated Financial Statements

YEAR ENDED MAY 31, 1971

### 1. Basis of presentation

The consolidated financial statements include the accounts of the following wholly-owned subsidiary companies at May 31, 1971:

Altamont Nursing Home Ltd.  
Brentwood Nursing Home Ltd.  
Chelsey Park Nursing Home Ltd.  
Cheltenham Nursing Home Ltd.  
Chinook Nursing Home Ltd.  
Crofton Manor Ltd.  
Davemar Wholesale Limited  
Evergreen Lodge (1970) Ltd.  
Oak Bay Manor Ltd. (formerly  
Heritage Manor Ltd.)  
Oak Lodge Private Hospital Ltd.  
Parkside Nursing Home Ltd.  
Quasar Construction Company  
Ltd.  
Rockcliffe Nursing Home Ltd.  
Southwood Nursing Home Ltd.  
Tullamore Nursing Home Ltd.

In accordance with the company's policy for treatment of starting up expenses on new nursing homes, the excess of operating expenses over revenue at May 31, 1970 which had been carried forward on the balance sheet as a deferred charge, has been charged to income in the year ended May 31, 1971.

### 2. Depreciation

During the year the company provided for depreciation on a straight line basis at the following rates:

|              |      |
|--------------|------|
| Buildings    | 2½ % |
| Equipment    | 6¾ % |
| Parking lots | 4 %  |

The application of the above rates of depreciation to new nursing homes commences at the point where deferred starting up expenses are extinguished.

### 3. Income taxes

The excess of capital cost allowances to be claimed in respect of the current year over depreciation provided and other timing differences gives rise to a charge in the current year of \$139,619 (\$108,163 in 1970) for deferred income taxes.

Income taxes for the current year have been reduced by \$118,003 (\$215,377 in 1970) through the application of losses sustained in prior periods and this reduction has been treated as an extraordinary item of income. The balance of such losses remaining to be claimed in future years is approximately \$175,000.

### 4. Long-term debt

Long-term debt consists of the following:

|                                                                                                      | 1971               | 1970               |
|------------------------------------------------------------------------------------------------------|--------------------|--------------------|
| (a) First mortgages                                                                                  |                    |                    |
| 7½ % maturing 1972 .....                                                                             | \$2,042,770        | \$2,109,612        |
| 7½ % maturing 1984 .....                                                                             | 300,000            | 322,500            |
| 7½ % maturing 1984 .....                                                                             | 300,000            | 322,500            |
| 7 % maturing 1985 .....                                                                              | 478,399            | 492,968            |
| 11 % maturing 1980 .....                                                                             | 1,282,158          | 1,300,000          |
| 9¾ % maturing 1989 .....                                                                             | 990,446            | 1,000,000          |
| Mortgages on land held for future development with interest rates varying between 7 % and 9½ % ..... | 724,875            | 256,000            |
|                                                                                                      | <u>6,118,648</u>   | <u>5,803,580</u>   |
| (b) 7 % Convertible redeemable sinking fund debentures Series A due July 2, 1984 .....               | 3,000,000          | 3,000,000          |
|                                                                                                      | <u>9,118,648</u>   | <u>8,803,580</u>   |
| Deduct amount due within one year included in current liabilities ..                                 | 125,776            | 154,138            |
|                                                                                                      | <u>\$8,992,872</u> | <u>\$8,649,442</u> |

(c) Principal payments due within the next five years on the first mortgage debt are as follows:

|      |             |
|------|-------------|
| 1972 | \$2,328,908 |
| 1973 | 570,947     |
| 1974 | 166,191     |
| 1975 | 157,266     |
| 1976 | 433,400     |

(d) The 7½ % first mortgage which matures in February 1972 has not been shown as a current liability since, as mentioned in note 10, this amount was repaid subsequent to the year end out of the proceeds of other long-term borrowings.

(e) The Series A debentures are convertible into shares at \$6.25 per share on or before July 2, 1974 and thereafter at prices increasing \$.50 per year until July 1979, at which date the right to convert will expire.

(f) Annual sinking fund payments of \$300,000 on the Series A debentures commence in 1975 but may be reduced by the par value of any debentures which have been purchased or converted.

### 5. Capital stock

955,000 Shares are reserved for issuance upon exercise of share purchase warrants and Series A convertible debentures.

### 6. Dividends

The trust indenture under which the Series A debentures were issued contains certain restrictions on the payment of dividends. No dividends were declared or paid during the year ended May 31, 1971. During the ensuing year, because of the said restrictions, dividends may not be paid in excess of \$181,000.

### 7. Share Purchase Warrants

At May 31, 1971 there were 474,980 share purchase warrants outstanding. The warrants entitle the holders thereof to purchase 474,980 shares at \$6.25 per year if exercised on or before July 2, 1974 and thereafter at the following purchase prices if exercised on or before July 2 in each of the following years:

|      |                  |
|------|------------------|
| 1975 | \$6.75 per share |
| 1976 | \$7.25 per share |
| 1977 | \$7.75 per share |
| 1978 | \$8.25 per share |
| 1979 | \$8.75 per share |

After July 2, 1979 all share purchase warrants not exercised will be void.

### 8. Commitment

One of the subsidiary companies has commenced construction of a retirement home for which the estimated cost is approximately \$5,000,000. As referred to in note 10, subsequent to the year end the company had arranged financing for the construction of this retirement home.

### 9. Other statutory information

The aggregate remuneration paid by the company and its subsidiaries to the directors and senior officers of the company for the year was \$122,800 (\$103,000 in 1970).

### 10. Events subsequent to the year end

(a) The amounts shown as advances to affiliated companies of \$432,937 were repaid subsequent to May 31, 1971.

(b) In July 1971 the company completed arrangements for long-term borrowings in the amount of approximately \$10,000,000. This amount is repayable over varying periods from 25 to 35 years with interest at 9¾ % per annum. Part of the proceeds of this new borrowing was used to retire the mortgages maturing in 1972 and 1984 and the bank loan of \$250,000. The balance of the borrowing will be used to finance new construction with any balance being used for other business purposes.





## Nursing Homes Owned

### ONTARIO

- 1 **Altamont** in Westhill, has 149 beds and was built in 1964. It won a prize for its architectural design and was named nursing home of the month.
- 2 **Tullamore** in Brampton, has 149 beds.
- 3 **Cheltenham** in Willowdale, has 159 beds.
- 4 **Rockcliffe** in Scarborough, has 204 beds and is four stories, built in 1969.
- 5 **Chelsey Park** in Mississauga, has 237 beds, was opened in 1970, and is four stories.

### SASKATCHEWAN

- 6 **Parkside** in Regina, opened in 1965 and expanded in 1970, has 226 beds.

### ALBERTA

- 7 **Southwood** in Calgary, opened in 1963, has 120 beds.
- 8 **Brentwood** in Calgary, opened in 1963, has 120 beds.
- 9 **Chinook** in Calgary, opened in 1964, has 149 beds and features western ranch style type of architecture.

## Private Hospitals Managed Under Contract

### BRITISH COLUMBIA

- 10 **Sandringham** in Victoria, opened in 1964 in downtown Victoria, has 84 beds. It is cottage style set in lovely grounds.
- 11 **Normandy** in Vancouver is a cottage style nursing home and was opened in 1964. It has a reputation for being the finest private hospital in Canada. It has 75 beds.
- 12 **Kensington** in Vancouver, opened in 1963. Close to a major shopping centre, has a colonial type architecture and 74 beds.
- 13 **Willingdon** in Burnaby, opened in 1964 in a cottage-style, landscaped setting, has 75 beds.

## Land Held for Future Development

In **Ontario** . . . property is held in Toronto, Burlington and Peterborough.

In **Manitoba** . . . property is held in Winnipeg.

In **British Columbia** . . . building site is held in Vancouver.

## Building Under Construction

In **British Columbia** . . . Oak Bay Manor.



